

**Jennifer Wood**  
**Mayor**

**J. Carlos Gomez**  
**Mayor Pro Tem**

**Chuck McGuire**  
**Councilmember**

**Donald Parris**  
**Councilmember**

**Eugene Stump**  
**Councilmember**



## **AGENDA**

### **CITY OF CALIFORNIA CITY CITY COUNCIL**

**Wednesday October 3, 2018**  
**Special Meeting 6:00 pm**

Council Chambers  
21000 Hacienda Blvd.  
California City, Ca 93505

If you need special assistance to participate in this meeting, please contact the City Clerk's office at (760) 373-7140. Notification of 72 hours prior to the meeting will enable the City to make reasonable arrangements to ensure accessibility to this meeting. (28 CFR 35.102-35.104 American Disabilities Act Title II)

**NOTE:** Any writings or documents provided to a majority of the City Council regarding any item on this agenda is available for public inspection in the City Clerk's office at City Hall located at 21000 Hacienda Blvd, California City, Ca during normal business hours, except such documents that relate to closed session items or which are otherwise exempt from disclosure under applicable laws. These writings are also available for review in the public access binder in the Council Chambers at the time of the meeting

October 3, 2018

***\*\*At this time, please take a moment to turn off your cell phones\*\****

**CALL TO ORDER**

**PLEDGE OF ALLEGIANCE / INVOCATION**

**ROLL CALL**

Councilmembers McGuire, Parris, Stump, Mayor Pro Tem Gomez, Mayor Wood

**ADOPT THE AGENDA**

**NEW BUSINESS**

**NB 1.** Amendment to the California City Accounting Policy and Procedure Manual – City Manager Stockwell

Recommendation

Council and discuss and make a motion to amend the Accounting Policy and Procedure Manual as presented.

**CONTINUED BUSINESS**

**CB 1.** Proposed Project: Demolition and Removal of Structures and Debris at Lakeview Mobile Home Park – Building Official Barragan

Recommendation

Council discuss, authorize the City Manager to execute a contract, with form approved by the City Attorney, with Krazan and Associates, for the testing of possible hazardous materials within the structures, and Parker Construction for the demolition of the structures.

**BUDGET WORKSHOP**

**ADJOURNMENT**

Motion to continue budget workshop until Thursday, October 4, 2018 at 6:00 pm.

**AFFIDAVIT OF POSTING:** This agenda was posted on all official City bulletin boards, the City's website and agenda packets were completely accessible to the public at City Hall at least 24 hours prior to the Council Meeting.

*Denise Hilliker, City Clerk*

# CITY COUNCIL

October 3, 2018

**TO: Mayor and City Council**

**FROM: Robert Stockwell, City Manager**

**SUBJECT: Amending Accounting Policy and Procedure Manual**

## **BACKGROUND:**

On January 26, 2016 the City Council adopted the current Accounting and Procedure Manual. The manual included a listing of the authorized positions within the Finance Department along with the names of the employees occupying those positions at the time. The proposed amendment, attached, includes changing this listing to eliminate the names of the persons holding those positions.

**Section 1.03 Balance Budget Provisions** include two instances where a 4/5<sup>th</sup> vote of the Council is required to (1) determine whether a proposed expenditure is critically needed, (2) authorize the use of reserve funds, and (3) requiring a 4/5<sup>th</sup> vote anytime General Fund reserves are to be used.

Since that time the Council evolved a practice of requiring a roll call 4/5<sup>th</sup> vote on any issues involving finances even though the policy required the 4/5<sup>th</sup> vote only to determine if an expenditure from reserves was critical and when spending General Fund reserves.

This 4/5<sup>th</sup> vote policy is not required by any General Law City provisions or Governmental Accounting Standards Board (GASB) Statements. The Council has full authority to expend any city funds, whether from its adopted budgets or its various reserves with a simple majority vote. It is important to note that adopting the annual budget requires a simple majority vote. For these reasons staff is recommending that the Council adopt the following amendments to the Accounting Policy and Procedure Manual as detailed in the attachment. The amendments also renumber the paragraphs as needed.

## **RECOMMENDATION:**

Adopt a motion to amend the Accounting Policy and Procedure Manual as presented in the attached report, to amend the listing of authorized positions within the finance department, eliminate the 4/5<sup>th</sup> Council vote requirement, and amend the definition of the General Fund.

## **FISCAL AND ENVIRONMENTAL IMPACT:**

There are no anticipated fiscal or environmental impacts that would result from making these amendments.

## ATTACHMENT

The following sections of the current Accounting Policies and Procedures Manual (approved January 26, 2016) are proposed for amendment:

### **Organization**

The finance department consists of ~~eight~~ nine permanent full time and ~~two permanent part time~~ temporary staff members that manage and process financial information for the City of California City. The positions comprising the Finance Department of the City of California City, and the titles of each position used throughout this manual, are as follows:

• Finance Director	Rudy Hernandez
• Accountant	Jason Williams
• <u>Budget Analyst</u>	
• Data Processing/ Analyst	Cindy Berry
• Account Clerk - III Payroll -	Serina Rodarte
• Account Clerk - III Accounts Payable	Theresa Lucero
• Account Clerk - II Utility Billing	Magdalena Arias
• Account Clerk I - Utility Billing	Lurline (Lee) Brackett
• Account Clerk I - Utility Billing	Sun-Ok Akers

(Page 8)

### **1.03 Balance Budget Provisions**

1.03.01 When Revenues= Expenditures: When revenues equal expenditures, departments impacted by insufficient funding to support additional expenditures will be required to make adjustments to their budgets to accommodate available revenue. If, under limited conditions, expenditure needs are greater than availability of revenue and expenditures are critical to meeting the mission of the department, the department must submit a justification of the need to the City Council for approval to appropriate necessary funds from the applicable fund reserves. ~~If Council, by 4/5<sup>th</sup> vote agrees that the expenditures are critical, Council will by a second 4/5<sup>th</sup> vote allow city reserve funds to be used.~~

#### **1.03.02 Fund Reserves**

1.03.02.01 Any funds that are surplus at the end of a fiscal year, and which are not budgeted for expense in the following fiscal year will remain in the designated fund's reserve for emergency or necessary city business particular to that fund.

1.03.03 General Fund Reserves: ~~Any general fund revenues that are surplus at the end of the fiscal year, will remain in the general fund reserve in order to have access to for funding emergency or necessary city business. Use of these funds will always involve a 4/5<sup>th</sup> vote of council. The General Fund is established for the purpose of allocating the general revenues of the City to those purposes and projects not funded by Special, Enterprise, Capital Projects, or Debt Service Funds. As such the General Fund may receive funds from other City Funds when appropriated by the City Council and may also transfer surplus funds to other City Funds when approved by the City Council.~~

1.03.034 Special Revenue Funds: Special revenue funds are used to account for resources that are legally restricted for specific purposes (e.g. grants). Since the purpose of a

special revenue fund is to demonstrate that restricted resources have been spent for their intended purposes, there is normally no need to maintain a budgetary cushion. In other words, use of reserves may be used to achieve its intended purposes.

1.03.04-5 Capital Projects Funds: The main purpose of capital project funds is to track spending on major capital projects or equipment replacement. It is presumed that all of the fund resources eventually will be expended. Like special revenue funds, use of reserves may be used to achieve its intended purposes.

1.03.05 6 Debt Service Funds: Debt service funds are used to account for the payment of principal and interest on long-term debt. Like special revenue and capital project funds, use of reserves may be used to achieve its intended purpose.



# CITY COUNCIL

October 3, 2018

**TO: Mayor and City Council**

**FROM: Code Enforcement and Building Department**

**SUBJECT: Demolition and Removal of structures and debris at Lakeview Mobile Home Park**

**BACKGROUND:** As part of the continued efforts to improve the City, the City Staff has put together a committee of employees from different departments to come up with a plan to abate nuisance structures at the Lakeview Mobile Home Park. There are several components to the plan but the ultimate goal is to improve the Lakeview Mobile Home Park by removing structures that are a safety hazard. The committee would target approximately seventeen structures for removal.

City Staff put out two requests for proposal (RFP), one RFP for testing the potential structures that might be abated for asbestos and lead based paint and another RFP to demolish structures that the City will receive a warrant to abate. The lowest most responsive proposal for the testing was from Krazan and Associates Inc at \$1,125 per property. The lowest most responsive proposal for the demolition and remove all debris was from Parker Construction at \$21,600 per property.

**RECOMMENDATION:** Authorize City Manager to create contracts with Krazan to test structures that will be demolished at a cost of \$1,125 per property and Parker Construction to demolish the structures and clean at a cost of \$21,600 per property; in the Lakeview Mobile Home Park, in a form approved by the City Attorney. Appropriate from the General Fund Reserve to fund the property demolition and clean up, for a total of \$386,325.

## **ATTACHMENTS:**

1. RFP from Krazan
2. RFP from Parker Construction

## **FISCAL IMPACT:** Account Number 19-4216-633

- The cost to obtain the warrants for the property
- \$1,125 per structure to test structures, plus cost to remove any asbestos or lead based paint if found.
- \$21,600 per structure to demolition and remove of all structures and debris

Total Funding request would be \$386,325 to be transferred from General Fund Reserves.

## **ENVIRONMENTAL IMPACT:**

Minimal; all structures will be tested for asbestos and lead based paint (LBP); if any asbestos or LBPs are found they will be disposed of properly. At least 65 percent of the demolition trash will be diverted.



GEOTECHNICAL ENGINEERING • ENVIRONMENTAL ENGINEERING  
CONSTRUCTION TESTING & INSPECTION

September 4, 2018

Proposal No. P18-296

Joe Barragan  
Deputy Building Official  
City of California City Building Department  
Attn: Denise Hilliker, City Clerk  
21000 Hacienda Blvd  
California City, CA 93505  
(760) 373-7162

RE: Proposal/Cost Estimate  
Asbestos Survey & Lead-Based Paint Survey  
Ten – Twenty Structures  
Lakeview Homes Testing  
Lakeview Mobile Home Park  
California City, California

Dear Ms. Hilliker:

Krazan & Associates, Inc. (Krazan) appreciates the opportunity to submit this Proposal/Cost Estimate for an Asbestos Survey (ASB), and Lead-Based Paint Survey (LBP) at the referenced site.

#### **ASBESTOS SURVEY**

The purpose of the asbestos survey would be to attempt to determine if asbestos containing materials (ACMs) have been used in the construction of the on-site structures. All work will be supervised by a State of California Division of Occupational Safety and Health (DOSH) Certified Asbestos Consultant. The scope of work for the asbestos survey would include conducting a visual survey of the buildings, review of any available construction or "as built" plans as provided by the client, performing bulk sampling and analysis of materials suspected to contain asbestos.

Samples will be collected in a manner which minimizes the emissions of asbestos fibers into the ambient air. Observations and sample locations will be documented as the work progresses. An assessment of the condition and damage of the suspected ACM will be documented by the sample collector. Wall board and taping mud will be sampled as one unit, and discrete samples of each material will not be obtained. All attempts will be made to collect building material samples from discrete, out of sight locations which would not distract from building aesthetics or occupant use of the building. Krazan will not be responsible for restoring building materials at sample locations to original pre-survey conditions. Asbestos sample locations



will be selected to best represent areas of building materials which appear to be homogeneous. Multiple samples of similar suspected ACMs will be collected to provide improved accuracy and quality assurance. No electrical equipment will be sampled. Sampling around electrical equipment will not be conducted unless client provides a licensed electrician to accompany and assist our inspector.

Destructive techniques such as partially demolishing walls to expose piping or entry into confined spaces will not be performed. The client will be expected to provide access to all locked or restricted areas.

The bulk asbestos samples will be collected and transported under chain-of-custody to a laboratory accredited under the National Voluntary Laboratory Accreditation Program (NVLAP) administered by the National Institute of Standards and Technology. All bulk samples submitted for testing will be analyzed for asbestos content by polarized light microscopy (PLM).

The laboratory results will be compiled into a report, signed by a Certified Asbestos Consultant. This report will classify the types of ACMs and identify the sample locations through drawings and written descriptions. This report will include a discussion of the physical condition of each ACM identified, as well as recommendations concerning the identified ACM. This scope of work will include approximate measurements of the identified ACMs. However, it is the abatement contractor's responsibility to confirm the actual volume of ACMs, as this report is not intended to be the sole basis for asbestos removal bids. Removal specifications will not be provided.

### **LEAD-BASED PAINT SURVEY**

The purpose of the lead-based paint (LBP) survey would be to attempt to determine if lead containing paints have been used at the on-site structures. The scope of work for the LBP survey would include conducting a visual survey of the building, review of any available construction or "as built" plans, performing bulk sampling and analysis of paints suspected to contain lead and providing diagrams showing the location of LBP samples.

Lead sample locations will be selected to best represent areas of building materials which appear to be homogeneous. Multiple samples of similar suspected LBP will be collected to provide improved accuracy and quality assurance. The purpose of the sampling will be to provide a general indication of whether or not LBP is present. We will make every attempt to identify visually unique paint or surface types. However, in a building of this size and age, there is a chance that hidden materials exist, or that areas which were painted with different and distinct paint types are now covered by a single overlay. To the extent possible within this scope of work, Krazan will attempt to identify LBP which are not visible or accessible. The client will be expected to provide access to all locked or restricted areas.

The results of our survey will be summarized in a report signed by a California DPH Certified Lead-Related Construction Inspector/Assessor. The bulk samples will be collected and transported under Chain-of-Custody procedures to a laboratory certified under the National Lead Laboratory Accreditation Program and will be analyzed for lead content.

The laboratory results will be compiled into a thorough report, which will identify paints with lead and identify the sample locations through written descriptions. The report will include a discussion of the nature and physical condition of each area identified with LBP.

#### **ESTIMATED COSTS AND TIME SCHEDULE**

Based on the generalized methodology outlined above, we anticipate that the Asbestos and Lead-Based Paint surveys will be completed within the time-frame and cost constraints listed in the table below.

<b>ESTIMATED COSTS AND TIME SCHEDULE</b>	
<b>ASBESTOS SURVEY</b>	
Time Frame	15-20 business days (after site access is granted)
Cost	\$650 per structure
<b>LEAD-BASED PAINT SURVEY</b>	
Time Frame	Same as Asbestos Survey
Cost	\$475 per structure
<b>TOTAL:</b>	<b>\$ 1,125 ( NTE \$22,500 for possible twenty structures)</b>

#### **GENERAL CONDITIONS**

In the event that the scope of work changes, or the client does not quickly provide access to the property, the report may be submitted to the client at a later date. During the course of the Surveys, if it is determined that additional work may be appropriate, the client will be notified so that the scope of work at the subject site and this Agreement can be modified accordingly. All billings are due 30 days from the date of billing. All "past due" balances will accrue a penalty of 18% annually (1.5% per month). This proposal is valid for a period of 30 days after which Krazan & Associates reserves the right to modify its content.

### **RELIANCE**

At the request of **City of California City Building Department**, we will issue a reliance letter authorizing a single third party to rely on the contents of our report in support of your obtaining funding for the subject site.

This reliance letter will be issued at no additional cost to you. Reliance letters may also be issued at Krazan & Associates' discretion for additional lenders and/or parties requiring reliance on the content of our report for an additional fee equal to 10 percent of the cost for the report per relying party. Reliance letters will be issued in our standard format and will condition the authorization to rely on our report based on the third parties' agreement to be bound to the terms and conditions of the Agreement between **City of California City Building Department** and Krazan & Associates as if the contract had been entered into by them directly. Krazan & Associates reserves the right to reject any requirement that we adopt and issue forms of reliance letters provided by lenders without the right to modify the document to comply with our business practices.

### **AUTHORIZATION**

If this proposal meets with your approval, please sign and return the Agreement to us as our authorization to proceed. Please note that the limitation of liability clause under the heading of **Risk Allocation** on the enclosed Agreement is an integral part of our proposal and fee structure. This limitation of liability shall apply for services provided by Krazan & Associates on the subject project regardless of the form of agreement ultimately executed. The amount of the limitation may be negotiated for an additional fee. If a higher limitation is desired, please contact our office so a revised proposal can be prepared. Upon receipt of the signed contract, we will execute the Agreement and return a signed original for your files. Signing of the Agreement will indicate that an authorized agent of **City of California City Building Department** has reviewed the scope of services and determined that they do not need or want more services than are being proposed at this time. If there is a need for any change in the scope of services or schedule described in the proposal or in the standard contract, please call us immediately. Changes may require revision of the estimated fees.

In the event that the work is to be performed under an agreement originated by **City of California City Building Department**, the agreement or contract must be for the contracting of professional services. We request that a copy of the form of agreement be provided as soon as possible so that we can have an opportunity to review the terms without impacting scheduling of our services. Where work is to be authorized by Purchase Order, the Purchase Order must specifically incorporate this proposal by reference. By issuing a Purchase Order authorizing our services, it is agreed that the terms of the Purchase Order shall be null and void even where stated otherwise on the Purchase Order and that the terms of the attached Contract shall prevail.

Should we be requested to start work prior to our receipt of a signed contract, your request to initiate services, which must be provided by fax or email, will indicate *express or implied* acceptance of the terms and conditions of our attached Agreement.

If you have any questions or if we may be of further assistance, please do not hesitate to contact our office at (559) 348-2200.

Respectfully submitted,  
KRAZAN & ASSOCIATES, INC.



Jeffrey R. Noel  
Project Manager

JRN/mlt

---

Attachment

## AGREEMENT FOR PROFESSIONAL ENVIRONMENTAL CONSULTING SERVICES

THIS AGREEMENT is made by and between KRAZAN & ASSOCIATES, INC., hereinafter referred to as "Consultant", and CITY OF CALIFORNIA CITY BUILDING DEPARTMENT hereinafter referred to as "Client." This Agreement executed in Clovis, CA is effective as of the 4<sup>th</sup> day of September, 2018. This Agreement between the parties consists of the TERMS AND CONDITIONS (below), the attached PROPOSAL titled Lakeview Homes Testing file number P18-296 dated September 4, 2018 ("PROPOSAL") and any exhibits or attachments cited in the PROPOSAL, which are incorporated in full by this reference. The parties agree as follows:

### 1. DEFINITIONS

**1.1. Contract Documents.** Plans, specifications, and agreements between Client and Contractor, including addenda, amendments, supplementary instructions, and change orders.

**1.2. Contractor.** The contractor or contractors, and including its/their subcontractors of every tier, retained to construct the Project for which Consultant is providing Services under this Agreement.

**1.3. Day(s).** Calendar day(s) unless otherwise stated.

**1.4. Hazardous Materials.** The term Hazardous Materials means any toxic substances, chemicals, radioactivity, pollutants or other materials, in whatever form or state, known or suspected to impair the environment in any way whatsoever. Hazardous Materials include, but are not limited to, those substances defined, designated or listed in any federal, state or local law, regulation or ordinance concerning hazardous materials, toxic substances or pollution.

**1.5. Services.** The professional services provided by Consultant as set forth in this Agreement the SCOPE OF SERVICES and any written Change Order, Task Order or amendment to this Agreement

**1.6. Work.** The labor, materials, equipment and services of the Contractor required to complete the work described in the Contract Documents.

**1.7. Schedule of Fees.** Consultant's standard annual fee schedule unless project specific fee schedule is provided.

**1.8. Inspection (or Observation).** Visual determination of conformance with specific or, on the basis of Consultant's professional judgment, general requirements.

**1.9. Testing.** Measurement, examination, performance of tests, and any other activities to determine the characteristics or performance of materials.

**1.10. Construction.** Site improvement activities including but not limited to site clearing, demolition, excavation, grading, installation of remediation equipment, implementation of bioremediation, or construction of structures.

**1.11. Governmental Agencies.** All federal state and local agencies having jurisdiction over the Project.

### 2. SCOPE OF SERVICES

Consultant will perform the SCOPE OF SERVICES set forth in the attached PROPOSAL.

**2.1. Changes in Scope.** If Consultant provides Client with a writing confirming a change in the PROPOSAL or the Services, it will become an amendment to this Agreement unless Client objects in writing within 5 business days after receipt. All Services performed by Consultant on the Project are subject to the terms and limitations of this Agreement. If Services are performed, but the parties do not reach agreement concerning modifications to the PROPOSAL, Services or compensation, then the terms and limitations of this Agreement apply to such Services, except for the payment terms. The parties agree to resolve disputes concerning modifications to scope or compensation pursuant to Section 18, "Disputes."

**2.2. Licenses.** Consultant will procure and maintain business and professional licenses and registrations necessary to provide its Services.

**2.3. Excluded Services.** Consultant's Services under this Agreement include only those Services specified in the PROPOSAL.

**2.3.1. General.** Client expressly waives any claim against Consultant resulting from its failure to perform recommended additional Services that Client has not authorized Consultant to perform, and any claim that Consultant failed to perform services that Client instructs Consultant not to perform.

**2.3.2. Biological Pollutants.** Unless identified as the specific subject of the Consultant's PROPOSAL, Consultant's PROPOSAL specifically excludes the investigation, detection, prevention or assessment of the presence of Biological Pollutants. The term "Biological Pollutants" includes, but is not limited to, molds, fungi, spores, bacteria, viruses, and/or any of their byproducts. Consultant's PROPOSAL will not include any interpretations, recommendations, findings, or conclusions pertaining to Biological Pollutants. Client agrees that Consultant has no liability for any claims alleging a failure to investigate, detect, prevent, assess, or make recommendations for preventing, controlling, or abating Biological Pollutants. Furthermore, Client agrees to defend, indemnify, and hold harmless Consultant from all claims by any third party concerning Biological Pollutants, except for damages caused by Consultant's sole negligence.

**2.4. Changes in Schedule.** Because of the uncertainties inherent in the Services contemplated, time schedules are only estimated schedules and are subject to revision unless otherwise specifically stated in the PROPOSAL.

**2.5. Sampling, Inspection & Test Locations.** Unless specifically stated otherwise, the Scope of does not include surveying the Site or precisely identifying sampling, inspection or test locations, depths or elevations. Sampling, inspection and test locations, depths and elevations will be based on field estimates and information furnished by Client and its representatives. Unless stated otherwise in the report, such locations, depths and elevations are approximate. Company will take reasonable precautions to limit damage to the Project Site or Work due to the performance of Services, but Client understands that some damage may necessarily occur in the normal course of Services, and this Agreement does not include repair of such damage unless specifically stated in the Scope of Services.

### 3. PAYMENTS TO CONSULTANT

**3.1. Basic Services.** Consultant will perform all Services set forth in the attached PROPOSAL on a lump sum/fixed fee basis as set forth therein.

\_\_\_\_\_  
Please initial

**3.2. Additional Services.** Any Services performed under this Agreement except those Services expressly identified in the attached PROPOSAL, will be provided on a time and materials basis unless otherwise specifically agreed to in writing by both parties.

**3.3. Estimate of Fees.** Consultant will, to the best of its ability, perform the Services and accomplish the objectives defined in this Agreement within any written cost estimate provided by Consultant. Client recognizes that changes in scope and schedule, and unforeseen circumstances can all influence the successful completion of Services within the estimated cost. The provision of an estimate of fees or a cost estimate is not a guarantee that the Services will be completed for that amount; Consultant's Services shall continue on a time and expense basis to completion unless directed otherwise by Client. Furthermore, the provision of a "not to exceed" limitation is not a guarantee that the Services will be completed for that amount; rather, it indicates that Consultant will not incur fees and expenses chargeable to Client in excess of the "not to exceed" limitation amount without notifying Client in writing that the "not-to-exceed" amount has been reached and that Services will continue on a time and materials basis unless directed by Client to discontinue any further Services.

**3.4. Rates.** Client will pay Consultant at the rates set forth in the SCHEDULE OF FEES.

**3.4.1. Changes to Rates.** Client and Consultant agree that the SCHEDULE OF FEES IS applicable only through December 31 of the year published, unless stated otherwise in the PROPOSAL and is subject to periodic review and amendment, as appropriate to reflect Consultant's then-current fee structure. Unless otherwise provided for in the PROPOSAL, where projects are on-going beyond December 31 of the year the services were initiated, the rates presented in the PROPOSAL and Schedule of Fees are subject to an annual cost of living adjustment based on the consumer price index for the geographic area where our services are being provided. Notwithstanding the foregoing, where Prevailing Wage regulations apply Consultant's labor rates are subject to revision based on determinations made by the governing agency. Where labor rates are increased during the course of the project Consultant's billing rates presented in the PROPOSAL and the Schedule of Fees shall be increased proportionally with respect to any mandated labor and/or benefits rate increases unless otherwise stipulated in the PROPOSAL. In the event that the cost of fuel increases 10 percent or more over the course of the project a fuel surcharge may be imposed to recoup the added costs incurred by Consultant. Consultant will give Client at least 30 days advance notice of any changes. Unless Client objects in writing to the proposed amended fee structure within 30 days of notification, the amended fee structure will be incorporated into this Agreement and will then supersede any prior fee structure. If Client timely objects to the amended fee structure, and Consultant and Client cannot agree upon a new fee structure within 30 days after notice, Consultant may terminate this Agreement and be compensated as set forth under Section 17, "Termination."

**3.4.2. Prevailing Wages.** Unless Client specifically informs Consultant in writing that prevailing wage regulations cover the Project and the SCOPE OF SERVICES identifies it as covered by such regulations, Client will reimburse, defend, indemnify and hold harmless Consultant from and against any liability resulting from a subsequent determination that prevailing wage regulations cover the Project, including all costs, fines and attorneys' fees.

**3.5. Payment Timing; Late Charge.** Consultant shall invoice Client no more frequently than once per month for Services rendered. All invoices are *due and payable upon receipt*. Upon Consultant's approval of Client for 3D-day payment terms Client shall pay undisputed portions of each progress invoice within thirty (30) days of the date of the invoice. The invoice amounts shall be presumed to be correct unless Client notifies Consultant in writing. If Client objects to all or any portion of any invoice, Client will so notify Consultant in writing within fourteen (14) calendar days of the invoice date, identify the cause of disagreement, and promptly pay when due that portion of the invoice not in dispute. The parties will immediately make every effort to settle the disputed portion of the invoice. In the absence of written notification described above, the balance as stated on the invoice will be paid. Payment thereafter will first be applied to accrued late payment charges interest on unpaid undisputed charges and then to the unpaid principal amount. Consultant reserves the right to apply payments to Client's outstanding invoices from oldest to most recent regardless of invoice designation on checks received. All amounts unpaid when due will include a late payment charge from the date of the invoice, at the rate of 1-1 1/2% per month or the highest rate permitted by law on the unpaid balance from the invoice date until the same is paid. *Consultant reserves the right to require payment in full on any and all invoices prior to releasing field notes, laboratory test data, photographs, analyses and/or reports. All undisputed amounts due to Consultant by Client shall be paid in full prior to Consultant's release of final reports or other required forms of certified or verified reports.* If the account becomes delinquent, the Client will reimburse Consultant for all time spent and expenses (including fees of any attorney, collection agency, and/or court costs) incurred in connection with collecting any delinquent amount. Consultant shall not be bound by any provision or agreement conditioning Consultant's right to payment upon payment by a third party. In the event of a legal action for invoice amounts not paid, attorneys' fees, court costs, and other related expenses shall be paid to the prevailing party. Client's failure to pay Consultant when due the failure to pay will constitute a substantial failure of Client to perform under this Agreement and Consultant will have the right to stop all current work and withhold letters, reports, or any verbal consultation until the invoice is paid in full. In the event that Client fails to pay Consultant within sixty (60) days after any invoice is rendered, Client agrees that Consultant will have the right to consider the failure to pay Consultant's invoice as a breach of this Agreement. If the Client requests back-up data or changes to the format of the standard invoice, an administrative fee of \$100 per invoice may be charged plus \$1 per page of back-up data.

#### **4. STANDARD OF PERFORMANCE; DISCLAIMER OF WARRANTIES**

**4.1. Standard of Care.** Subject to the limitations inherent in the agreed SCOPE OF SERVICES as to the degree of care, the amount of time and expenses to be incurred, and subject to any other limitations contained in this Agreement. Consultant may perform its Services consistent with that level of care and skill ordinarily exercised by other professional Consultants practicing in the same locale and under similar circumstances at the time the Services are performed. No other representation and no warranty or guarantee, express or implied, is included or intended by this Agreement or any report, opinion, document, or other instrument of service.

**4.2. Level of Service.** Consultant offers different levels of professional consulting services to suit the desires and needs of different clients. Although the possibility of error can never be eliminated, more detailed and extensive Services yield more information and reduce the probability of error, but at increased cost. Although risk associated with site acquisition or

development can never be eliminated, more detailed and extensive investigations yield more information. It is for these reasons that Client must determine the level of Services adequate for its purposes. Client has reviewed the PROPOSAL and has determined that it does not need or want a greater level of Services than that specifically identified in the PROPOSAL.

**4.3. No Warranty.** Client recognizes the inherent risks connected with property transactions and site development, and understands when signing that those risks are not entirely eliminated through the services of Consultant. Client recognizes that opinions relating to geologic or environmental conditions, including those associated with air, soil and groundwater, are based on limited data and that actual surface and subsurface conditions may vary from those observed at locations where borings, surveys, or explorations are made. Client also recognizes that site conditions may change with time, conditions may vary from those encountered at the times when and locations where the data are obtained, despite the use of due professional care. Therefore, in signing this Agreement the Client understands that Consultant is not providing a warranty or assurance as to the surface and subsurface conditions throughout the site, or the performance of the project. Consultant's tests and observations of the Work by third parties not under contract to Consultant are not a guarantee of the quality of Work and do not relieve other parties from their responsibility to perform their Work in accordance with applicable plans, specifications and requirements. This Agreement neither makes nor intends a warranty or guarantee, express or implied, of any type nor does it create a fiduciary responsibility to Client by Consultant.

## **5. CONSTRUCTION/REMEDATION PHASE SERVICES**

### ***5.1. Construction Observation/Remediation Implementation and Operation.***

If Consultant's PROPOSAL includes observation and/or testing during the course of construction, which may include or consist of remediation implementation and operation activities, Consultant may:

***5.1.1. Site Meetings & Visits.*** Consultant will participate in job site meetings as requested by Client, and, unless otherwise requested by Client, visit the site at times specified in the PROPOSAL or, if not specified in the PROPOSAL, at intervals as Consultant deems appropriate to the various stages of construction and remediation to observe the conditions encountered by Contractor and the progress and quality of the environmental aspects of the Work. Based on information obtained during such visits and on such observations, Consultant may inform Client of the progress of the environmental aspects of the Work. Client understands that Consultant may not be on site continuously; and, unless expressly agreed otherwise, Consultant will not observe all of the Work. Consultant will report any observed environmental related Work to the Client which, in Consultant's professional opinion, does not conform with plans and specifications.

***5.1.2. Contractor's Performance.*** Consultant does not, and cannot warrant or guarantee that all of the environmental Work performed by Contractor meets the requirements of Consultant's recommendations or the plans and specifications for such Work; nor can Consultant be responsible for Contractor's failure to perform the Work in accordance with the plans, specifications or the recommendations of Consultant. No action of Consultant or Consultant's representative can be construed as altering any Agreement between the Client and others. Consultant has no right to reject or stop work of any agent of the Client. Such rights are reserved solely for the Client.

***5.1.3. Contractor's Responsibilities.*** Consultant will not supervise, direct or have control over the Work nor will Consultant have authority over or responsibility for the means, methods, technique s. sequences or procedures selected by Contractor for construction or remediation activities at the Project: for safety precautions and programs incident to the Work; nor for any failure of Contractor to comply with Laws and Regulations applicable to Contractor furnishing and performing its Work. Client understands and agrees that Contractor, not Consultant, has sole responsibility for the safety of persons and property at the Project Site, and that Consultant shall not be responsible for job site safety or the evaluating and reporting of job conditions concerning health, safety or welfare.

***5.1.4. Final Report.*** At the conclusion of Construction Phase Services, Consultant will provide Client with a written report summarizing the tests and observations, if any, made by Consultant.

***5.2. Review of Contractor's Submittals.*** If included in the SCOPE OF SERVICES, Consultant will review and take appropriate action on the Contractor's submittals, such as action plans, shop drawings, product data, samples, and other required submittals. Consultant will review such submittals solely for general conformance with Consultant's design, and will not include review for the following, all of which will remain the responsibility of the Contractor: accuracy or completeness of details, quantities or dimensions; construction means, methods, sequences or procedures; coordination among trades; or construction safety.

***5.3. Tests.*** Tests performed by Consultant on finished Work or Work in progress are taken intermittently and indicate the general acceptability of the Work on a statistical basis. Consultant's tests and observations of the Work are not a guarantee of the quality of Work and do not relieve other parties from their responsibility to perform their Work in accordance with applicable plans, specifications and requirements.

***5.4. Retention of Third Party Consultant.*** The Client understands that an environmental assessment report presents preliminary recommendations for remedial action based on assumptions made about the subsurface conditions. In order for Consultant to validate its assumptions, Consultant needs to be present at least periodically, during implementation of remediation activities. The observation of remediation implementation and operations, and the performance of sample collection and testing to determine remediation effectiveness and progress, by Consultant are integral elements of the Services where Consultant is to remain in the capacity of Environmental Consultant-Of-Record. Client shall have the right to retain a party other than Consultant (Third Party Consultant) for review of plans and specifications, and the observation and testing during construction and remediation activities. In the event that a Third Party Consultant is retained by Client for those services, Client agrees that they will require the Third Party Consultant to contractually agree to the assumption of the role of Environmental Consultant-Of-Record for the project including all responsibilities and liabilities. Client further agrees to indemnify and hold harmless Consultant, its subconsultants and subcontractors, and all of their respective shareholders, directors, officers, employees and agents (collectively "Consultant Entities") from and against any and all claims, suits, liabilities, damages, expenses (including reasonable attorney's fees and costs of defense), or other losses related to the environmental aspects of the project.

## 6. CLIENT'S RESPONSIBILITIES

In addition to payment for the Services performed under this Agreement, Client agrees to:

**6.1. Cooperation.** Assist and cooperate with Consultant in any manner necessary and within its ability to facilitate Consultant's performance under this Agreement.

**6.2. Representative.** Designate a representative with authority to receive all notices and information pertaining to this Agreement communicate Client's policies and decisions, and assist as necessary in matters pertaining to the Project and this Agreement. Client's representative will be subject to change by written notice.

**6.3. Rights of Entry.** Provide access to and/or obtain permission for Consultant to enter upon all property, whether or not owned by Client, as required to perform and complete the Services. Consultant will operate with reasonable care to minimize damage to the Project Site(s) and any improvement located thereon. However, Client recognizes that Consultant's operations and the use of investigative equipment may unavoidably alter conditions or affect the environment at the existing Project Site(s). The cost of repairing such damage will be borne by Client and is not included in the fee unless otherwise stated in the PROPOSAL. If client desires or requires Consultant to restore the site to its former condition, upon written request Consultant will perform such additional work as is necessary and Client agrees to pay to Consultant the cost thereof.

**6.4. Relevant Information.** Supply Consultant with all information and documents in Client's possession or knowledge which are relevant to Consultant's Services. Client warrants the accuracy of any information supplied by it to Consultant, and acknowledges that Consultant is entitled to rely upon such information without verifying its accuracy. Prior to the commencement of any Services in connection with a specific property, Client will notify Consultant of any known potential or possible health or safety hazard existing on or near the Project Site, with particular reference to Hazardous Materials or conditions.

**6.5. Subsurface Structures.** If the Services require invasive subsurface exploratory work, Client will provide Consultant with all information in its possession regarding the location of underground utilities and structures or mark on the property, the location of all subsurface structures, such as pipes, tanks, cables and utilities within the property lines of the Project Site(s), and be responsible for any damage inadvertently caused by Consultant to any such structure or utility not so designated. Consultant is not liable to Client for any losses, damages or claims arising from damage to subterranean structures or utilities that were not correctly shown on plans furnished by Client to Consultant. Client waives any claim against Consultant, and agrees to defend, indemnify and hold Consultant harmless from all claims, suits, losses, costs and expenses, including reasonable attorney's fees, as a result of personal injury, death or property damage occurring with respect to Consultant's performance of its work and arising from subsurface or latent conditions or damage to subsurface or latent objects, structures, lines or conduits where the actual or potential presence and location thereof was not revealed to Consultant by Client.

**6.6. Project Information.** Client agrees to provide Consultant within 5 days after written request, a correct statement of the recorded legal title to the property on which the Project is located and the Client and/or Owner's interest therein, and the identity and address of any construction lender.

**6.7. Manifests.** Execute all manifests or other documents evidencing ownership, possession or control over Hazardous Materials.

**6.8. Notification to Authorities.** Client is solely responsible for notifying all appropriate federal, state, municipal or other governmental agencies, and regulatory bodies, including the potentially affected public, of the existence of any Hazardous Materials located on or in the Project site(s), or encountered during the performance of this Agreement. Client also agrees to hold Consultant harmless for any and all consequences of disclosures made by Consultant which are required by governing law.

**6.9. Notification to Third Party Site Owner.** In the event the project site is not owned by Client, Client agrees that it is the Client's responsibility to inform the property owner of the discovery of hazardous materials.

## 7. CHANGED CONDITIONS

If Consultant discovers conditions or circumstances that it had not contemplated at the commencement of this Agreement ("Changed Conditions"). Consultant will notify Client in writing of the Changed Conditions. Client and Consultant agree that they will then renegotiate in good faith the terms and conditions of this Agreement. If Consultant and Client cannot agree upon amended terms and conditions within 30 days after notice, Consultant may terminate this Agreement and be compensated as set forth in Section 17, "Termination."

## 8. ESTIMATE OF REMEDIATION COSTS

Client acknowledges that environmental remediation costs are subject to many influences that are not subject to precise forecasting and are outside of Consultant's control. Client further acknowledges that actual costs incurred may vary substantially from the estimates prepared by Consultant and that Consultant does not warrant or guarantee the accuracy of environmental remediation cost estimates.

## 9. CERTIFICATIONS

Client agrees not to require that Consultant execute any certification with regard to Services performed or Work tested and/or observed under this Agreement unless: 1) Consultant believes that it has performed sufficient Services to provide a sufficient basis to issue the certification; 2) Consultant believes that the Services performed or Work tested and/or observed meet the criteria of the certification; and 3) Consultant has reviewed and approved in writing the exact form of such certification prior to execution of this Agreement. Any certification by Consultant is limited to an expression of professional opinion based upon the Services performed by Consultant, and does not constitute a warranty or guarantee, either express or implied.

## 10. ALLOCATION OF RISK

**10.1. Limitation of Liability.** The total cumulative liability of Consultant, its subconsultants and subcontractors, and all of their respective shareholders, directors, officers, employees and agents (collectively "Consultant Entities"), to Client arising from Services under this Agreement, including attorney's fees due under this Agreement, will not exceed the gross compensation received by Consultant under this Agreement or five thousand dollars (\$5,000.00), whichever is greater; provided, however, that such liability is further limited as described below. This limit is an aggregate limit with respect to all services on the project, whether provided under this, prior or subsequent agreements, unless modified in writing, agreed to and signed by authorized



representatives of the parties. This limitation applies to all lawsuits, claims or actions that allege errors or omissions in Consultant's Services, whether alleged to arise in tort, contract, warranty, or other legal theory. Upon Client's written request, Consultant and Client may agree to increase the limitation to a greater amount in exchange for a negotiated increase in Consultant's fee, provided that they amend this Agreement in writing as provided in Section 110. Parties mean the Client and Consultant and their respective officers, employees, agents, affiliates and subcontractors. The Parties also agree that the Client will not seek damages in excess of the limitations indirectly through suits with other parties who may join Consultant as a third-party defendant.

**10.2. Indemnification.** Client will indemnify and hold harmless Consultant, its subconsultants and subcontractors, and all of their respective shareholders, directors, officers, employees and agents (collectively "Consultant Entities") from and against any and all Losses to the extent caused by the negligence of Client, its employees, agents and contractors. In addition, except to the extent caused by Consultant's negligence, Client waives any claim against Consultant, and to the maximum extent permitted by law, expressly agrees to defend, indemnify and hold harmless Consultant Entities from and against any and all Losses, arising from or related to the existence, disposal, release, discharge, treatment or transportation of Hazardous Materials, or the exposure of any person to Hazardous Materials, or the degradation of the environment due to the presence, discharge, disposal, release of or exposure to Hazardous Material.

**10.3. Consequential Damages.** Neither Client nor Consultant will be liable to the other for any special, consequential, incidental or penal losses or damages of whatever nature including but not limited to losses, damages or claims related to the unavailability of property or facilities, shutdowns or service interruptions, loss of use, loss of profits, loss of revenue, or loss of inventory, or for use charges, cost of capital, or claims of the other party and/or its customers, which may arise directly or indirectly as a result of the Services provided by Consultant under this Agreement.

**10.4. Continuing Agreement.** The provisions of this Section 10, "Allocation of Risk," will survive the expiration or termination of this Agreement. If Company provides Services to Client that the parties do not confirm through execution of an amendment to this Agreement, the provisions of this Section 10 will apply to such Services as if the parties had executed an amendment.

**10.5. No Personal Liability.** Client and Consultant intend that Consultant's Services will not subject Consultant's individual employees, officers or directors to any personal liability. Therefore, and not withstanding any other provision of this Agreement, Client agrees as its sole and exclusive remedy to direct or assert any claim, demand or suit only against the business entity identified as "Consultant" on the first page of this Agreement.

## **11. INSURANCE**

**11.1. Consultant's Insurance.** Consultant carries Statutory Workers' Compensation and Employer's Liability Insurance; Commercial General Liability Insurance for bodily injury and property damage; Automobile Liability Insurance, including liability for all owned, hired and non-owned vehicles; and Professional Liability Insurance. Certificates of insurance can be furnished upon written request but may not be processed unless accompanied by a signed Agreement. Client agrees not to withhold payment to Consultant for Client's failure to make such a timely request and such requests may not be honored if made after final completion of authorized Services. Additional charges may apply for Waiver of Subrogation and Additional Insured Endorsements. Consultant assumes the risk of damage caused by Consultant's personnel to Consultant's supplies and equipment.

**11.2. Contractor's Insurance.** Client shall require that all Contractors and subcontractors for the Project name Consultant as an additional insured under their General Liability and Automobile Liability insurance policies. If Client is not the Project owner, Client will require the Project owner to require the owner's Contractor to purchase and maintain General Liability, Builder's Risk, Automobile Liability, Workers' Compensation, and Employer's Liability insurance with limits no less than as set forth above, and to name Consultant and its subcontractors and subconsultants as additional insureds on the General Liability insurance.

**11.3. Certificates of Insurance.** Upon request, Consultant and Client will each provide the other with certificate(s) of insurance evidencing the existence of the policies required herein. Certificates of insurance can be furnished upon written request but may not be processed unless accompanied or preceded by a signed Agreement. Client agrees not to withhold payment to Consultant for Client's failure to make such a timely request and such requests may not be honored if made after final completion of authorized Services. Additional charges may apply for Waivers of Subrogation and Additional Insured Endorsements.

## **12. OWNERSHIP AND USE OF DOCUMENTS**

**12.1. Client Documents.** All documents provided by Client will remain the property of Client. Consultant will return all such documents to Client upon request, but may retain file copies of such documents.

**12.2. Consultant's Documents.** Unless otherwise agreed in writing, all documents and information prepared by Consultant or obtained by Consultant from any third party in connection with the performance of Services, including, but not limited to, Consultant's reports, boring logs, maps, field data field notes, drawings and specifications, laboratory test data and other similar documents (collectively "Documents") are instruments of professional service, not products, and are the property of Consultant. Consultant has the right, in its sole discretion, to dispose of or retain the Documents. Consultant reserves the right to copyright such documents; however, such copyright is not intended to limit the Client's use of the services provided under this Agreement other than as described below.

**12.3. Use of Documents.** All Documents prepared by Consultant are solely for use by Client and will not be provided by either party to any other person or entity without Consultant's prior written consent. Except as set forth herein, neither Consultant nor Client will disclose, disseminate or otherwise provide such reports or information except as required for the completion of Contractor's Work or the monitoring of the Project by Governmental Agencies.

**12.3.1. Use by Client.** Client has the right to reuse the Documents for purposes reasonably connected with this Project for which the Services are provided, including without limitation design and licensing requirements of the Project.

**12.3.2. Use by Consultant.** Consultant retains the right of ownership with respect to any patentable concepts or copyrightable materials arising from Services and the right to use the Documents for any purpose.

**12.4. Electronic Media.** Consultant may agree at Client's request to provide Documents and information in an electronic format. Client recognizes that Documents or other information recorded on or transmitted as electronic media are subject to undetectable alteration due to (among other causes) transmission, conversion, media degradation, software error, or human alteration. Accordingly, all Documents and information provided by Consultant in electronic media are for informational purposes only and not as final documentation; the paper original issued by Consultant will remain the final documentation of the Services.

**12.5. Unauthorized Reuse.** No party other than Client may rely, and Client will not represent to any other party that it may rely on Documents without Consultant's express prior written consent and receipt of additional compensation. Client will not permit disclosure, mention, or communication of, or reference to the Documents in any offering circular, securities offering, loan application, real estate sales documentation, or similar promotional material without Consultant's express prior written consent. Client waives any and all claims against Consultant resulting in any way from the unauthorized reuse or alteration of Documents by itself or anyone obtaining them through Client. Client will defend, indemnify and hold harmless Consultant from and against any claim, action or proceeding brought by any party claiming to rely upon information or opinions contained in Documents provided to such person or entity, published, disclosed or referred to without Consultant's prior written consent.

#### **13. SAMPLES AND CUTTINGS**

**13.1. Sample Retention.** If Consultant provides laboratory testing or analytic Services, Consultant will preserve such soil, rock, water, or other samples as it deems necessary for the Project, but no longer than 30 days after issuance of any Documents that include the data obtained from these samples. All samples shall remain the property of the Client and in the absence of evidence of contamination Consultant shall dispose of samples for the Client. All samples will be disposed of or destroyed after the thirty (30) day period unless Consultant is otherwise advised. Client will promptly pay and be responsible for the removal and lawful disposal of all contaminated samples, cuttings, Hazardous Materials, and other hazardous substances. Upon request, Consultant will deliver samples to the Client or will store them for an agreed delivery or storage charge.

**13.2. Monitoring Wells.** Client will take custody of all monitoring wells and probes installed during an investigation by Consultant, and will take any and all necessary steps for the proper maintenance, repair or closure of such wells or probes at Client's expense.

**13.3. Cuttings.** All cuttings, drilling fluid and wash water shall remain the property of the Client, and Client shall be responsible for and promptly pay for the removal and lawful disposal of cuttings, drilling fluids, wash water and hazardous materials, unless otherwise agreed in writing.

#### **14. RELATIONSHIP OF THE PARTIES**

Consultant will perform Services under this Agreement as an independent contractor.

#### **15. ASSIGNMENT AND SUBCONTRACTS**

During the term of this Agreement and following its expiration or termination for any reason, neither party may assign this Agreement or any right or claim under it, in whole or in part, without the prior written consent of the other party, except for an assignment of proceeds for financing purposes. Any assignment that fails to comply with this paragraph will be void and of no effect. Consultant may subcontract for the services of others without obtaining Client's consent if Consultant deems it necessary or desirable for others to perform certain Services.

#### **16. SUSPENSION AND DELAYS**

**16.1. Procedures.** Client may, at any time by 10 days written notice suspend performance of all or any part of the Services by Consultant. Consultant may terminate this Agreement if Client suspends Consultant's Services for more than 60 days and Client will pay Consultant as set forth under Section 17, "Termination" If Client suspends Consultant's Services, or if Client or others delay Consultant's Services. Client and Consultant agree to equitably adjust: (1) the time for completion of the Services; and (2) Consultant's compensation in accordance with Consultant's then current SCHEDULE OF FEES for the additional labor, equipment, and other charges associated with maintaining its workforce for Client's benefit during the delay or suspension, or charges incurred by Consultant for demobilization and subsequent remobilization.

**16.2. Liability.** Consultant is not liable to Client for any failure to perform or delay in performance due to circumstances beyond Consultant's control, including but not limited to pollution, contamination, or release of hazardous substances, strikes, lockouts, riots, wars, fires, flood, explosion, "acts of God," adverse weather conditions, acts of government, labor disputes, delays in transportation or inability to obtain material and equipment in the open market.

#### **17. TERMINATION**

**17.1. Termination for Convenience.** Consultant and Client may terminate this Agreement for convenience upon 30 days written notice delivered or mailed to the other party.

**17.2. Termination for Cause.** In the event of material breach of this Agreement, the non-breaching party may terminate this Agreement if the breaching party fails to cure the breach within 5 days following delivery of the non-breaching party's written notice of the breach to the breaching party. The termination notice must state the basis for the termination. The Agreement may not be terminated for cause if the breaching party cures the breach within the 5-day period.

**17.3. Payment on Termination.** Following termination other than for Consultant's material breach of this Agreement, Client will pay Consultant for Services performed prior to the termination notice date, and for any necessary Services and expenses incurred in connection with the termination of the Project, including but not limited to, the costs of completing analysis records and reports necessary to document job status at the time of termination and costs associated with termination of subcontractor contracts in accordance with Consultant's then current SCHEDULE OF FEES.

#### **18. DISPUTES**

**18.1. Mediation.** All disputes between Consultant and Client, except those involving Client's failure to pay undisputed invoices as provided herein, are subject to mediation. Either party may demand mediation by serving a written notice stating the essential nature of the dispute, amount of time or money claimed, and requiring that the matter be mediated within 45 days of service of notice. The mediation shall be administered by the American Arbitration Association or by such other person or organization as the parties may agree upon, in accordance with the rules of the American Arbitration Association.

**18.2. Precondition to Other Action.** No action or suit, except those involving Client's failure to pay undisputed invoices as provided herein, may be commenced unless the mediation did not occur within 45 days after service of notice; or the mediation occurred but did not resolve the dispute; or a statute of limitation would elapse if suit was not filed prior to 45 days after service of notice. If the matter is referred to arbitration, the arbitration shall be conducted in Fresno County, California. The arbitrator shall be appointed within 60 days of the arbitrators' receipt of a written request to arbitrate the dispute. The arbitrator shall be authorized to provide all recognizable remedies available in law or equity for any cause of action that is the basis of the arbitration (to the extent such remedy is not otherwise precluded under this Agreement), provided that (i) the arbitrator shall not have the authority to award punitive damages, and (ii) each party shall bear its own costs and attorney's fees related to the arbitration.

**18.3. Choice of Law; Venue.** This Agreement will be construed in accordance with and governed by the laws of the state in which the Project is located. Except for actions, such as for enforcement of mechanic's liens, which are required by statute to be brought in a specific venue, or unless the parties agree otherwise, any mediation or other legal proceeding will occur in the County in which the Project is located. Client waives the right to have the suit brought, or tried in, or removed to, any other county or judicial jurisdiction. The prevailing party will be entitled to recovery of all reasonable costs incurred, including court costs, reasonable attorney's fees, and other claim related direct expenses.

**18.4. Statutes of Limitations.** Any applicable statute of limitations will be deemed to commence running on the earlier of the date of substantial completion of Consultant's Services under this Agreement or the date on which claimant knew, or should have known, of facts giving rise to its claims.

## **19. MISCELLANEOUS**

**19.1. Integration and Severability.** This Agreement reflects the entire agreement of the parties with respect to its terms and conditions, and supersedes all prior agreements, whether written or oral. If any portion of this Agreement is void or voidable, such portion will be deemed stricken and the Agreement reformed to as closely approximate the stricken portions as the law allows. If any of the provisions contained in this Agreement are held illegal, invalid, or unenforceable, the enforceability of the remaining provisions will not be impaired.

**19.2. Modification of This Agreement.** This Agreement may not be modified or altered, except by a written agreement signed by authorized representatives of both parties and referring specifically to this Agreement.

**19.3. Notices.** Any and all notices, requests, instructions, or other communications given by either party to the other must be in writing and either hand delivered to the recipient or delivered by first-class mail with return receipt (postage prepaid) or express mail (billed to sender) at the addresses given in this Agreement.

**19.4. Headings.** The headings used in this Agreement are for convenience only and are not a part of this Agreement.

**19.5. Waiver.** The waiver of any term, conditions or breach of this Agreement will not operate as a subsequent waiver of the same term, condition, or breach. One or more waivers of any term, condition or covenant by either party shall not be construed as a waiver of any other term, condition or covenant.

**19.6. Survival.** These terms and conditions survive the completion of the Services and/or the termination of this Agreement, whether for cause or for convenience.

**19.7. Warranty Of Authority To Sign, Personal Guarantee.** The person signing this contract warrants that he/she has authority to sign on the behalf of the Client for whose benefit Consultant's services are rendered. If such person does not have such authority, he/she agrees that he/she is personally liable for obligations under this Agreement and all breaches of this contract and that in any action against him/her for breach of such warranty, reasonable attorney's fees shall be included in any judgment rendered. Further, if Client fails to perform and is in breach of this Agreement the person signing this Agreement agrees that he/she is personally liable for obligations under this Agreement and all breaches of this contract and that in any action against him/her for breach of such warranty, reasonable attorney's fees shall be included in any judgment rendered.

**19.8. Precedence.** These Terms and Conditions take precedence over any inconsistent or contradictory provisions contained in any other agreement term, proposal, purchase order, requisition, notice to proceed, or other document regarding Consultant's Services.

**19.9. Incorporation of Provisions Required By Law.** Each provision and clause required by law to be inserted in this Agreement is included herein, and the Agreement should be read and enforced as though each were set forth in its entirety herein.

## **20. HAZARDOUS MATERIALS RISKS**

Client recognizes that, while necessary for subsurface investigations, commonly used exploration methods, such as drilling borings, pushing probes or excavating trenches, involve an inherent risk. These exploration methods may penetrate through an aquifer of contaminated fluid and serve as a connecting passageway between the contaminated aquifer and an uncontaminated aquifer or groundwater, inducing cross-contamination. While backfilling with grout or by other means, according to the state of practice, is intended to provide a seal against such passageway, it is recognized that such a seal may be imperfect and there is an inherent risk of cross-contamination when drilling borings, pushing probes excavating trenches or implementing other methods of exploration in connection with a contaminated site. Client recognizes that the state of practice, particularly with respect to contaminated site and materials conditions, is changing and evolving. While Consultant is required to perform in reasonable accordance with the standards in effect at the time the services are performed, it is recognized that those standards may subsequently change because of improvements in the state of practice.

Client recognizes that Consultant's failure to detect the presence of hazardous materials at a site, even though hazardous materials may be assumed or expected to exist through the use of appropriate and mutually agreed upon sampling techniques, does not guarantee that hazardous materials do not exist at the site. Similarly, Client recognizes that Consultant's subsurface explorations may not encounter hazardous materials at a site, which may later be affected by hazardous materials due to natural phenomena or human intervention. Client recognizes that the state of practice, particularly with respect to contaminated site and materials conditions, is changing and evolving. While Consultant is required to perform in reasonable accordance with the standards in effect at the time the services are performed, it is recognized that those standards may subsequently change because

\_\_\_\_\_  
Please initial

of improvements in the state of practice. Client agrees to waive any claim against Consultant and agrees to defend, indemnify, and hold Consultant harmless from claims or liability for injury or loss arising from Consultant's failure to detect the presence of hazardous materials through techniques commonly employed for the purpose.

All laboratory and field equipment contaminated in performing Consultant's services will be cleaned at Client's expense. Contaminated consumables will be disposed of and replaced at Client's expense. Equipment (including tools) which cannot be reasonably decontaminated shall become the property and responsibility of Client. All such equipment shall be delivered to Client or disposed of in a manner similar to that indicated for hazardous samples. Client agrees to pay the fair market value of any such equipment which cannot reasonably be decontaminated.

#### 21. ENTIRE AGREEMENT

This Agreement between the parties consists of these Terms and Conditions, the PROPOSAL by the Consultant, and any exhibits or attachments noted in the PROPOSAL. Together, these elements will constitute the entire Agreement superseding any and all prior negotiations, correspondence, or agreements either written or oral. The Parties have read the foregoing, understand completely the terms, and willingly enter into this Agreement. This Agreement was developed to be fair and reasonable to both parties. The terms of this Agreement will prevail over any different or additional terms in Client's purchase order or other forms provided by Client to Consultant as part of the authorization process unless agreed in writing by Consultant. The parties acknowledge that there has been an opportunity to negotiate the terms and conditions of this Agreement and agree to be bound accordingly. Consultant's acceptance of this Agreement is pending credit review and a retainer fee may be required.

Client: CITY OF CALIFORNIA CITY BUILDING DEPARTMENT

Consultant: KRAZAN & ASSOCIATES, INC.

Signature

Date

Signature

Date

Name (Please Print)

Jeffrey R Noël

Name (Please Print)

Title

Project Manager

Title

# ***PARKER CONSTRUCTION CO.***

***GENERAL ENGINEERING  
GENERAL CONTRACTING***

***CA. CONTRACTORS LIC.***

***#780644 (A) & (B)***

***P.O. Box 2426***

***10155 Twin Buttes Ave.***

***California City CA. 93504***

Response to RFP:

Lake View Mobile Homes Project.

## Section II-D

1: I Andrew Parker the authorized representative of Parker Construction certify that all statements in the proposal are true and correct and shall constitute a warranty, the falsity of which shall entitle the City to pursue any remedy authorized by law. Which shall include the right, at the option of the City, to declare any contract made as a result thereof, to be void.

Parker construction " Lake View Mobile homes Project"

Date: 9-5-2018



Andrew Parker

2:

Legal owner: Andrew Parker DBA. Parker Construction

City business license #11250

California Contractors license # 780644 (A & B)

DIR. # 1000017514

Mailing address:

P.O. Box 2426

California City CA. 93504

Physical Address:

10155 Twin Buttes Ave

California City CA. 93505

Primary contact person:

Andrew Parker

Office Phone (760) 373-2382

3:

Parker Construction Has done two jobs similar in nature to the RFP.  
both were for the City of California City.

1: 7325 California City Blvd. Demolition disposal and clean up of SFR.  
City contact. Kristy Hightower.

2: 7824 Xavier. Demolition disposal and clean up of SFR.  
City contact. Riuss Jensma.

Both jobs completed satisfactorily in a professional and timely manner.

4:

See attached

5:

1: Get notice to proceed from City.

2: Assess site, get permit from Bldg. Dept.

3: Call out USA dig for utility location.

4: Confirm all utilities have been disconnected.

5: Create site safety plan for demolition.

6: Demolish structure and haul away.

7: Demolish site concrete and asphalt and haul away.

8: Level and final cleanup of property.

9: Notify Bldg department job complete.

6:

Total cost \$21,600 per unit address. (Twenty one thousand six hundred dollars and no cents.)

7:

See Attached.

Sincerely



Andrew Parker

# ***PARKER CONSTRUCTION CO.***

***GENERAL ENGINEERING  
GENERAL CONTRACTING  
CA. CONTRACTORS LIC.***

***#780644 (A) & (B)***

***P.O. Box 2426***

***California City CA. 93504***

***(760) 373-2388***

Hello I would like to introduce our company to you. Parker Construction CO.  
We are a locally owned and operated construction and manufacturing CO.  
We have been licensed, bonded and in business in California for sixteen years.

We do all types of construction including:

- :Concrete
- :Electrical, both commercial and industrial
- :Backhoe and dirt work
- :Welding
- :Stucco
- :Framing
- :Masonry
- :New construction, from ground up
- :Remodel

And anything in-between you can think of.

We specialize in Aerospace and Aviation fixturing, manufacturing, maintenance and construction.

Our client list includes.

- :NASA's Jet Propulsion lab in Pasadena
- :Typhon Labs
- :Firestar Engineering
- :Global Vigilance
- :Delphi
- :JT3
- :Tybrin
- :EAFB
- :City of California City
- :Scaled Composites

I am available to provide bids on most any job and look forward to hearing from you

  
Sincerely. Andrew Parker

Dear To Whom It May Concern,

With nearly 30 years of experience in various managerial positions it is with a great deal of pleasure that I present my resume. I began my career working for Cal-Ci-Co Rock Company in 1989 and within a year became the executive operations and safety officer. I was tasked with managing all day to day operations of 5 concrete batch plants and one rock plant. I oversaw 6 plant managers and over 50 employees. I continued in this position up until January 2000 when I decided to put the skills I had acquired in this job to use in my own private construction company. I am currently the owner and manager of Parker Construction Company. I provide services to citizens throughout all of Southern California. I possess a Class A General Engineering license and a Class B General Construction license, along with a home improvement contractor certificate from the California State Contractor's Licensing Board. As a construction company owner I have oversaw numerous jobs in the home, aerospace, and other commercial sectors.

During my free time, I enjoy flying with my family to new destinations as a private pilot. I received my pilot license in 2001 and since have logged over 350 hours in seven different aircraft models. On top of my private pilot license, I hold both a high performance and complex endorsement. I also have served on the California City Municipal Airport Advisory Board from 2002 to 2006. I was Elected to the Mojave Unified School District Board in 2010 and now serve as Board President. In 2016 I was appointed to the Mojave Air and Space Port Board of Directors then elected and still serve on that Board as well. As part of my passion for flying, I love to share my experiences with young children in the Kern County community. In 2003 I began taking part as a volunteer pilot to give children the experience of flight as part of the Young Eagles Program, which I am still currently involved with.

I hope that the enclosed resume and letters of recommendation will highlight my accomplishments and showcase my expertise. My years of managerial experience have allowed me to learn many of the skills which will be vital for this project. I welcome the opportunity to meet you to discuss my experience and qualifications. I can be reached at (661)435-7482 or at [parkerconstructionco@gmail.com](mailto:parkerconstructionco@gmail.com). Thank you for your time and consideration, and I look forward to hearing from you soon.

Sincerely,



Andrew T. Parker





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
08/30/2018

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT:** If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must be endorsed. If **SUBROGATION IS WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

<b>PRODUCER</b> Turner Surety & Insurance Brokerage, Inc. 5 Hutton Centre Drive, Suite 730 Santa Ana, CA 92707 CA License # 0E81386	<b>CONTACT NAME:</b> Nicholas Langer	
	<b>PHONE (A/C No, Ext):</b> (661) 645-4974 <b>FAX (A/C No):</b> (657) 900-5312 <b>E-MAIL ADDRESS:</b> nlanger@tsibinc.com	
<b>INSURED</b>  Andrew Parker dba: Parker Construction 10155 Twin Buttes California City, CA 93505	<b>INSURER(S) AFFORDING COVERAGE</b>	<b>NAIC #</b>
	<b>INSURER A:</b> Ohio Security Insurance Company	24082
	<b>INSURER B:</b>	
	<b>INSURER C:</b>	
	<b>INSURER D:</b>	
	<b>INSURER E:</b>	
	<b>INSURER F:</b>	

**COVERAGES****CERTIFICATE NUMBER:****REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> <b>CLAIMS-MADE</b> <input checked="" type="checkbox"/> <b>OCCUR</b>	X	BKS58134683	07/18/2018	07/18/2019	EACH OCCURRENCE \$ 1,000,000
	DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 500,000					
	MED EXP (Any one person) \$ 15,000					
	PERSONAL & ADV INJURY \$ 1,000,000					
GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC						GENERAL AGGREGATE \$ 2,000,000
						PRODUCTS - COMP/OP AGG \$ 2,000,000
A	<b>AUTOMOBILE LIABILITY</b> <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> NON-OWNED AUTOS	X	BKS58134683	07/18/2018	07/18/2019	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000
	BODILY INJURY (Per person) \$					
	BODILY INJURY (Per accident) \$					
	PROPERTY DAMAGE (Per accident) \$					
						\$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> <b>OCCUR</b> <b>EXCESS LIAB</b> <input type="checkbox"/> <b>CLAIMS-MADE</b>					EACH OCCURRENCE \$
	DED <input type="checkbox"/> RETENTION \$					AGGREGATE \$
	\$					
	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> Y/N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N/A				<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER
	E.L. EACH ACCIDENT \$					
	E.L. DISEASE - EA EMPLOYEE \$					
	E.L. DISEASE - POLICY LIMIT \$					

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

City of California City is named as additional insured per endorsement CG 88 10 04 13 as required by written contract as respects General Liability.

Waiver of Subrogation and primary &amp; non-contributory language in favor of the additional insured applies per endorsement CG 88 10 04 13.

**CERTIFICATE HOLDER****CANCELLATION**City of California City  
21000 Hacienda Blvd.  
California City, CA 93505

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE  
Nicholas Langer

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COMMERCIAL GENERAL LIABILITY EXTENSION

This endorsement modifies insurance provided under the following:

### COMMERCIAL GENERAL LIABILITY COVERAGE PART

#### INDEX

<u>SUBJECT</u>	<u>PAGE</u>
NON-OWNED AIRCRAFT	2
NON-OWNED WATERCRAFT	2
PROPERTY DAMAGE LIABILITY - ELEVATORS	2
EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)	2
MEDICAL PAYMENTS EXTENSION	3
EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B	3
ADDITIONAL INSURED - BY CONTRACT, AGREEMENT OR PERMIT	3
PRIMARY AND NON-CONTRIBUTORY- ADDITIONAL INSURED EXTENSION	5
ADDITIONAL INSURED - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"	6
WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS/MALPRACTICE AND WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES	6
NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES	7
FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES	7
KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT	7
LIBERALIZATION CLAUSE	7
BODILY INJURY REDEFINED	7
EXTENDED PROPERTY DAMAGE	8
WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU	8

With respect to coverage afforded by this endorsement, the provisions of the policy apply unless modified by the endorsement.

#### A. NON-OWNED AIRCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, exclusion g. Aircraft, Auto Or Watercraft does not apply to an aircraft provided:

1. It is not owned by any insured;
2. It is hired, chartered or loaned with a trained paid crew;
3. The pilot in command holds a currently effective certificate, issued by the duly constituted authority of the United States of America or Canada, designating her or him a commercial or airline pilot; and
4. It is not being used to carry persons or property for a charge.

However, the insurance afforded by this provision does not apply if there is available to the insured other valid and collectible insurance, whether primary, excess (other than insurance written to apply specifically in excess of this policy), contingent or on any other basis, that would also apply to the loss covered under this provision.

#### B. NON-OWNED WATERCRAFT

Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraph (2) of exclusion g. Aircraft, Auto Or Watercraft is replaced by the following:

This exclusion does not apply to:

- (2) A watercraft you do not own that is:
  - (a) Less than 52 feet long; and
  - (b) Not being used to carry persons or property for a charge.

#### C. PROPERTY DAMAGE LIABILITY - ELEVATORS

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability, Subparagraphs (3), (4) and (6) of exclusion j. Damage To Property do not apply if such "property damage" results from the use of elevators. For the purpose of this provision, elevators do not include vehicle lifts. Vehicle lifts are lifts or hoists used in automobile service or repair operations.
2. The following is added to Section IV - Commercial General Liability Conditions, Condition 4. Other Insurance, Paragraph b. Excess Insurance:

The insurance afforded by this provision of this endorsement is excess over any property insurance, whether primary, excess, contingent or on any other basis.

#### D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage)

If Damage To Premises Rented To You is not otherwise excluded from this Coverage Part:

1. Under Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury and Property Damage Liability:
  - a. The fourth from the last paragraph of exclusion j. Damage To Property is replaced by the following:

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire, lightning, explosion, smoke, or leakage from an automatic fire protection system) to:

- (i) Premises rented to you for a period of 7 or fewer consecutive days; or
- (ii) Contents that you rent or lease as part of a premises rental or lease agreement for a period of more than 7 days.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" to contents of premises rented to you for a period of 7 or fewer consecutive days.

A separate limit of insurance applies to this coverage as described in Section III - Limits of Insurance.

- b. The last paragraph of subsection 2. Exclusions is replaced by the following:

Exclusions c. through n. do not apply to damage by fire, lightning, explosion, smoke or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

2. Paragraph 6. under Section III - Limits Of Insurance is replaced by the following:

6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to:

- a. Any one premise:

(1) While rented to you; or

(2) While rented to you or temporarily occupied by you with permission of the owner for damage by fire, lightning, explosion, smoke or leakage from automatic protection systems; or

- b. Contents that you rent or lease as part of a premises rental or lease agreement.

3. As regards coverage provided by this provision D. EXTENDED DAMAGE TO PROPERTY RENTED TO YOU (Tenant's Property Damage) - Paragraph 9.a. of Definitions is replaced with the following:

9.a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire, lightning, explosion, smoke, or leakage from automatic fire protection systems to premises while rented to you or temporarily occupied by you with the permission of the owner, or for damage to contents of such premises that are included in your premises rental or lease agreement, is not an "insured contract".

#### E. MEDICAL PAYMENTS EXTENSION

If Coverage C Medical Payments is not otherwise excluded, the Medical Payments provided by this policy are amended as follows:

Under Paragraph 1. Insuring Agreement of Section I - Coverage C - Medical Payments, Subparagraph (b) of Paragraph a. is replaced by the following:

- (b) The expenses are incurred and reported within three years of the date of the accident; and

#### F. EXTENSION OF SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

1. Under Supplementary Payments - Coverages A and B, Paragraph 1.b. is replaced by the following:

- b. Up to \$3,000 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.

2. Paragraph 1.d. is replaced by the following:

- d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$500 a day because of time off from work.

#### G. ADDITIONAL INSURED - BY CONTRACT, AGREEMENT OR PERMIT

1. Paragraph 2. under Section II - Who Is An Insured is amended to include as an insured any person or organization whom you have agreed to add as an additional insured in a written contract, written agreement or permit. Such person or organization is an additional insured but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused in whole or in part by:

- a. Your acts or omissions, or the acts or omissions of those acting on your behalf, in the performance of your on going operations for the additional insured that are the subject of the written contract or written agreement provided that the "bodily injury" or "property damage" occurs, or the "personal and advertising injury" is committed, subsequent to the signing of such written contract or written agreement; or

- b. Premises or facilities rented by you or used by you; or
- c. The maintenance, operation or use by you of equipment rented or leased to you by such person or organization; or
- d. Operations performed by you or on your behalf for which the state or political subdivision has issued a permit subject to the following additional provisions:
- (1) This insurance does not apply to "bodily injury", "property damage", or "personal and advertising injury" arising out of the operations performed for the state or political subdivision;
  - (2) This insurance does not apply to "bodily injury" or "property damage" included within the "completed operations hazard".
  - (3) Insurance applies to premises you own, rent, or control but only with respect to the following hazards:
    - (a) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or
    - (b) The construction, erection, or removal of elevators; or
    - (c) The ownership, maintenance, or use of any elevators covered by this insurance.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

With respect to Paragraph 1.a. above, a person's or organization's status as an additional insured under this endorsement ends when:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
- (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

With respect to Paragraph 1.b. above, a person's or organization's status as an additional insured under this endorsement ends when their written contract or written agreement with you for such premises or facilities ends.

With respects to Paragraph 1.c. above, this insurance does not apply to any "occurrence" which takes place after the equipment rental or lease agreement has expired or you have returned such equipment to the lessor.

The insurance provided by this endorsement applies only if the written contract or written agreement is signed prior to the "bodily injury" or "property damage".

We have no duty to defend an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured as required in Paragraph b. of Condition 2. **Duties In the Event Of Occurrence, Offense, Claim Or Suit under Section IV - Commercial General Liability Conditions.**

2. With respect to the insurance provided by this endorsement, the following are added to Paragraph 2. Exclusions under **Section I - Coverage A - Bodily Injury And Property Damage Liability**:

This insurance does not apply to:

- a. "Bodily injury" or "property damage" arising from the sole negligence of the additional insured.
- b. "Bodily injury" or "property damage" that occurs prior to you commencing operations at the location where such "bodily injury" or "property damage" occurs.
- c. "Bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of, or the failure to render, any professional architectural, engineering or surveying services, including:
  - (1) The preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

- (2) Supervisory, inspection, architectural or engineering activities.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of, or the failure to render, any professional architectural, engineering or surveying services.

- d. "Bodily injury" or "property damage" occurring after:

- (1) All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
  - (2) That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

- e. Any person or organization specifically designated as an additional insured for ongoing operations by a separate **ADDITIONAL INSURED -OWNERS, LESSEES OR CONTRACTORS** endorsement issued by us and made a part of this policy.

3. With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

- a. Required by the contract or agreement; or
  - b. Available under the applicable Limits of Insurance shown in the Declarations;
- whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

#### H. **PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED EXTENSION**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

Condition 4. Other Insurance of **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS** is amended as follows:

- a. The following is added to Paragraph a. **Primary Insurance**:

If an additional insured's policy has an Other Insurance provision making its policy excess, and you have agreed in a written contract or written agreement to provide the additional insured coverage on a primary and noncontributory basis, this policy shall be primary and we will not seek contribution from the additional insured's policy for damages we cover.

b. The following is added to Paragraph b. **Excess Insurance**:

When a written contract or written agreement, other than a premises lease, facilities rental contract or agreement, an equipment rental or lease contract or agreement, or permit issued by a state or political subdivision between you and an additional insured does not require this insurance to be primary or primary and non-contributory, this insurance is excess over any other insurance for which the additional insured is designated as a Named Insured.

Regardless of the written agreement between you and an additional insured, this insurance is excess over any other insurance whether primary, excess, contingent or on any other basis for which the additional insured has been added as an additional insured on other policies.

I. **ADDITIONAL INSURED - EXTENDED PROTECTION OF YOUR "LIMITS OF INSURANCE"**

This provision applies to any person or organization who qualifies as an additional insured under any form or endorsement under this policy.

1. The following is added to Condition 2. **Duties In The Event Of Occurrence, Offense, Claim or Suit**:

An additional insured under this endorsement will as soon as practicable:

- a. Give written notice of an "occurrence" or an offense that may result in a claim or "suit" under this insurance to us;
- b. Tender the defense and indemnity of any claim or "suit" to all insurers whom also have insurance available to the additional insured; and
- c. Agree to make available any other insurance which the additional insured has for a loss we cover under this Coverage Part.
- d. We have no duty to defend or indemnify an additional insured under this endorsement until we receive written notice of a "suit" by the additional insured.

2. The limits of insurance applicable to the additional insured are those specified in a written contract or written agreement or the limits of insurance as stated in the Declarations of this policy and defined in Section III - **Limits of Insurance** of this policy, whichever are less. These limits are inclusive of and not in addition to the limits of insurance available under this policy.

J. **WHO IS AN INSURED - INCIDENTAL MEDICAL ERRORS / MALPRACTICE**  
**WHO IS AN INSURED - FELLOW EMPLOYEE EXTENSION - MANAGEMENT EMPLOYEES**

Paragraph 2.a.(1) of Section II - **Who Is An Insured** is replaced with the following:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1) (a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services. However, if you are not in the business of providing professional health care services or providing professional health care personnel to others, or if coverage for providing professional health care services is not otherwise excluded by separate endorsement, this provision (Paragraph (d)) does not apply.

Paragraphs (a) and (b) above do not apply to "bodily injury" or "personal and advertising injury" caused by an "employee" who is acting in a supervisory capacity for you. Supervisory capacity as used herein means the "employee's" job responsibilities assigned by you, includes the direct supervision of other "employees" of yours. However, none of these "employees" are insureds for "bodily injury" or "personal and

advertising injury" arising out of their willful conduct, which is defined as the purposeful or willful intent to cause "bodily injury" or "personal and advertising injury", or caused in whole or in part by their intoxication by liquor or controlled substances.

The coverage provided by provision J. is excess over any other valid and collectable insurance available to your "employee".

**K. NEWLY FORMED OR ADDITIONALLY ACQUIRED ENTITIES**

Paragraph 3. of Section II - Who Is An Insured is replaced by the following:

3. Any organization you newly acquire or form and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
  - a. Coverage under this provision is afforded only until the expiration of the policy period in which the entity was acquired or formed by you;
  - b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
  - c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
  - d. Records and descriptions of operations must be maintained by the first Named Insured.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations or qualifies as an insured under this provision.

**L. FAILURE TO DISCLOSE HAZARDS AND PRIOR OCCURRENCES**

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 6. Representations:

Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of the policy shall not prejudice the coverage afforded by this policy provided such failure to disclose all hazards or prior "occurrences" is not intentional.

**M. KNOWLEDGE OF OCCURRENCE, OFFENSE, CLAIM OR SUIT**

Under Section IV - Commercial General Liability Conditions, the following is added to Condition 2. Duties In The Event of Occurrence, Offense, Claim Or Suit:

Knowledge of an "occurrence", offense, claim or "suit" by an agent, servant or "employee" of any insured shall not in itself constitute knowledge of the insured unless an insured listed under Paragraph 1. of Section II - Who Is An Insured or a person who has been designated by them to receive reports of "occurrences", offenses, claims or "suits" shall have received such notice from the agent, servant or "employee".

**N. LIBERALIZATION CLAUSE**

If we revise this Commercial General Liability Extension Endorsement to provide more coverage without additional premium charge, your policy will automatically provide the coverage as of the day the revision is effective in your state.

**O. BODILY INJURY REDEFINED**

Under Section V - Definitions, Definition 3. is replaced by the following:

3. "Bodily Injury" means physical injury, sickness or disease sustained by a person. This includes mental anguish, mental injury, shock, fright or death that results from such physical injury, sickness or disease.



**P. EXTENDED PROPERTY DAMAGE**

Exclusion a. of **COVERAGE A. BODILY INJURY AND PROPERTY DAMAGE LIABILITY** is replaced by the following:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force to protect persons or property.

**Q. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - WHEN REQUIRED IN A CONTRACT OR AGREEMENT WITH YOU**

Under **Section IV - Commercial General Liability Conditions**, the following is added to Condition 8. **Transfer Of Rights Of Recovery Against Others To Us**:

We waive any right of recovery we may have against a person or organization because of payments we make for injury or damage arising out of your ongoing operations or "your work" done under a contract with that person or organization and included in the "products-completed operations hazard" provided:

1. You and that person or organization have agreed in writing in a contract or agreement that you waive such rights against that person or organization; and
2. The injury or damage occurs subsequent to the execution of the written contract or written agreement.

DATE: September 1, 2018

Attention: City of California City  
21000 Hacienda Blvd;  
California City, CA 93505

Re: **Andrew Parker, DBA: Parker Construction, Workers' Compensation Exemption Certification**  
proposal:  
Project Name: Lakeview Mobile Home Project

To whom it may concern;

I, Andrew Parker, hereby certify:

1. My business, referenced above as Andrew Parker, is a Sole Proprietorship in the State of California.
2. I am the sole owner.
3. I do not employ any persons.
4. Under California Labor Code 3700 I am not required to carry Workers' Compensation insurance as a Sole Proprietor.
5. The California State Contractors' License Board does not require me to maintain workers' compensation coverage on myself and I am certified exempt from maintaining workers' compensation with the Contractors' State License Board.
6. I agree to be solely responsible for any injuries/illness/death to myself for the purpose of completing the obligations contained in the referenced job/contract.
7. I agree to collect current certificates of insurance evidencing workers' compensation from any subcontractors performing work on this project or on my behalf.
8. I agree to enforce all insurance requirements specified in the bid with any subcontractors, including any waiver of subrogation and additional insured requirements.

I agree to indemnify, defend and hold harmless the City of California City, its officers, officials, employees and volunteers from any and all claims for bodily injury, illness, including death, and disability brought by myself, directly or indirectly, from my business with City of California City. I also agree that I, will not seek Workers' Compensation and Employers' Liability claims and/or benefits from City of California City.

I certify under penalty of perjury under the laws of the State of California that the information provided on this Exemption is true and accurate. In consideration of this exemption, City of California City agrees to waive the requirement that I carry Workers' Compensation and Employers' Liability insurance in order to engage in business.

Sincerely,



Andrew Parker  
Parker Construction

## Andrew T. Parker

P.O. Box 2426

California City CA 93504

(661) 435-7482

parkerconstructionco@gmail.com

---

### Professional Experience

#### Owner

6/00- Present

Parker Construction Company California City CA.

Licensed:

Class A General Engineering

Class B General Construction

HIC, Home Improvement Contractor

- Operate and manage all aspects of the company specializing in municipal city and airport facilities construction and aerospace infrastructure fabrication
  - Firestar Technologies - Design and construct rocket propulsion test facilities (Mojave Air and Space Port)
  - Scaled Composites - Aerospace facilities infrastructure improvements (Mojave Air and Space Port)
  - Global Vigilance - Facilities improvements and general maintenance for a military drone operators training facility (Edwards Air Force Base)
  - California City Police Department - Construction and maintenance of police/fire department and other city facilities

#### Executive Operations & Safety Officer

1/89- 6/00

Cal-Ci-Co Rock Company Inc.

California City CA

- Led the operations and safety department for a multi-site mining and concrete production company
- Authored and implemented safety and environmental policy for mining, concrete production and truck-shop facilities
- Created the maintenance schedules for four concrete production plants, two truck and heavy equipment maintenance and repair facilities and one open pit mining facility
- Led personnel implementing company operations including dispatchers, plant operators, heavy equipment operators, truck drivers and mechanics

#### Related Experience

Licensed Private Pilot since 2001 (Logged over 350 Hrs in seven aircraft models)

Aircraft Owner

Mentor FIRST Robotics (2008-2010)

Honorary Commander for Edwards Air Force Base (2013-2014)

Served for four years on the California City Municipal Airport Advisory Board (2002-2006)

Volunteer for the Young Eagles Program (2003- Current)

Board Trustee for the Mojave Unified School District (2010-Present)

CCPD Patrolman for the Volunteer Desert Incident Response Team (DIRT) (2009 -Present)

Mojave Air and Space Port Board of Trustees (2016 to present)

#### Professional References Upon Request

